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ABSTRACT

State practices affecting the reporting of Higher Education General Information Survey (HEGIS) data were surveyed. Although all but three states coordinated the HEGIS collection and reporting effort for at least some group of institutions in the state, the survey revealed a relatively weak state role in editing the data collected from the institutions, and only moderate use of the data. Sixty percent of the 45 respondents to the state survey (27 states) indicated some use of the HEGIS finance data, but many of these indicated that the uses were quite limited. The inconsistency of the universe of institutions reporting in HEGIS from state to state was revealed. In addition, states varied significantly in strategies for providing student assistance. Variations occurred in the manner of state funding and in the reporting practices associated with central boards, offices, and commissions. Concerns regarding central support services, debt service, and capital acquisition financing were also addressed. Data are provided on direct student aid provided by states for 1977-1978 and 1978-1979. Data not included in HEGIS reports are also presented regarding debt service, as well as expenditures and enrollments for public postsecondary vocational-technical institutes. (SW)

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State Reporting Practices and the Quality of HEGIS Finance Data

Working Paper Series

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State Reporting Practices and the Quality of HEGIS Finance Data

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1982

HEGIS Data Quality Project

National Center for Higher Education Management Systems
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Foreword

This report is one of four written as part of the project called Assessing the Quality of the HEGIS Data. The project was supported by the National Institute of Education and was designed to study problems and issues related to the quality of the data collected through the Higher Education General Information Survey (HEGIS) by the National Center for Education Statistics (NCES). There are five major surveys collected annually, and three minor surveys collected periodically. The major surveys are entitled Institutional Characteristics, Financial Statistics, Opening Fall Enrollment, Earned Degrees, and Employees. The periodic surveys are entitled Facilities, Residency and Migration, and Libraries.

Frequently HEGIS data are needed to make comparisons between states, between institutions, and between institutional sectors. Since higher education is so diverse, comparative analysis is often difficult. After reviewing previous work done in the area, this project examined HEGIS data for their comparability, policy relevance, accuracy, and validity. To examine comparability, four studies were conducted through the Data Quality project: (1) the development of a new and improved taxonomy for colleges and universities; (2) a study investigating the impact of medical schools on the financial statistics reported by institutions; (3) a survey of state practices affecting the reporting of HEGIS data; and (4) an assessment of longitudinal changes in the reporting units of the HEGIS universe. To examine policy relevance, the project studied the utility of the data from a researcher's perspective. To examine accuracy and validity, the project conducted a study that suggested NCES could improve the accuracy of the data by more extensive verification checks identifying outlying institutions through cross-survey measures.

Four reports are being made available to any interested party; they are listed below by title and author.

- "An Improved Taxonomy of Postsecondary Institutions" by David J. Makowski and Rolf M. Wulfsberg
- "Impact of Health Programs on Instructional Expenditures in Higher Education" by John D. Smith
- "State Reporting Practices and the Quality of HEGIS Finance Data" by Jane N. Ryland
- "The Utility of HEGIS Finance Data: A Researcher's Perspective" by Marilyn McCoy

Copies of the papers can be obtained by writing to:

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State Reporting Practices and the Quality of HEGIS Finance Data

Since 1966, the National Center for Education Statistics (NCES) has collected information on financial statistics of higher-education institutions as part of a comprehensive survey system known as the Higher Education General Information System (HEGIS). It has long been recognized that reporting procedures and practices vary significantly from state to state. This variance adversely affects the quality of the data reported from the standpoint of data comparability among states and among institutions. In 1973, NCES sponsored a working group whose members represented three national organizations, the American Institute of Certified Public Accountants (AICPA), the National Association of College and University Business Officers (NACUBO), and the National Center for Higher Education Management Systems (NCHEMS). This group developed common definitions and data structures for financial reporting, and in 1975, NCES adopted those definitions and data structures for its annual collection of data on current funds, expenditures, and revenues. With the exception of minor revisions, the definitions and structures adopted by NCES in 1975 have remained unchanged. The reporting conventions and practices in many states and institutions, however, are still not universally consistent with the adopted standards. Unconventional practices are not continued arbitrarily. They are generally the result of legitimate differences from state to state in strategies for funding and financing postsecondary education. When a state funds specific programs directly through institutions, the information is readily available for reporting, but when similar programs in another state are funded from a central agency bypassing the institutions rather than through the institutions, it is often difficult for the institutions accurately to report their appropriate shares of these programs. Typical of such centrally funded functions that cause reporting variations are student aid provided directly to students, central offices and commissions, extension programs, and fringe benefits or retirement payments. Financing arrangements that cause difficulty include debt service and capital financing arrangements.

Whereas it was known that many of these practices existed, and that they caused reporting variations, the prevalence and magnitude of the variations were not apparent. To address these questions, a joint effort was undertaken, utilizing the resources of an ad-hoc task force appointed by the Postsecondary Education Policy Committee on Information, the State Postsecondary Personnel Exchange Program of the SHEEO/NCES Communication Network operated by the State Higher Education Executive Officers under a contract from NCES, the National Center for Higher Education Management Systems (NCHEMS), and the Washington Council for Postsecondary Education. A survey was formulated by NCHEMS, reviewed and modified by the ad-hoc task force, and sent to the states by the Washington Council. The task force discussed the survey results and developed recommendations that are included in a report drafted by the SHEEO/NCES Network Office. The survey results are also being used by NCHEMS and NIE in the FY 1979 edition of Higher Education Financing in the Fifty States to improve the accuracy of interstate financial comparisons. The survey results and the subsequent report prepared by the SHEEO/NCES Network Office are the basis for this paper.

Role of the States in Providing HEGIS Data

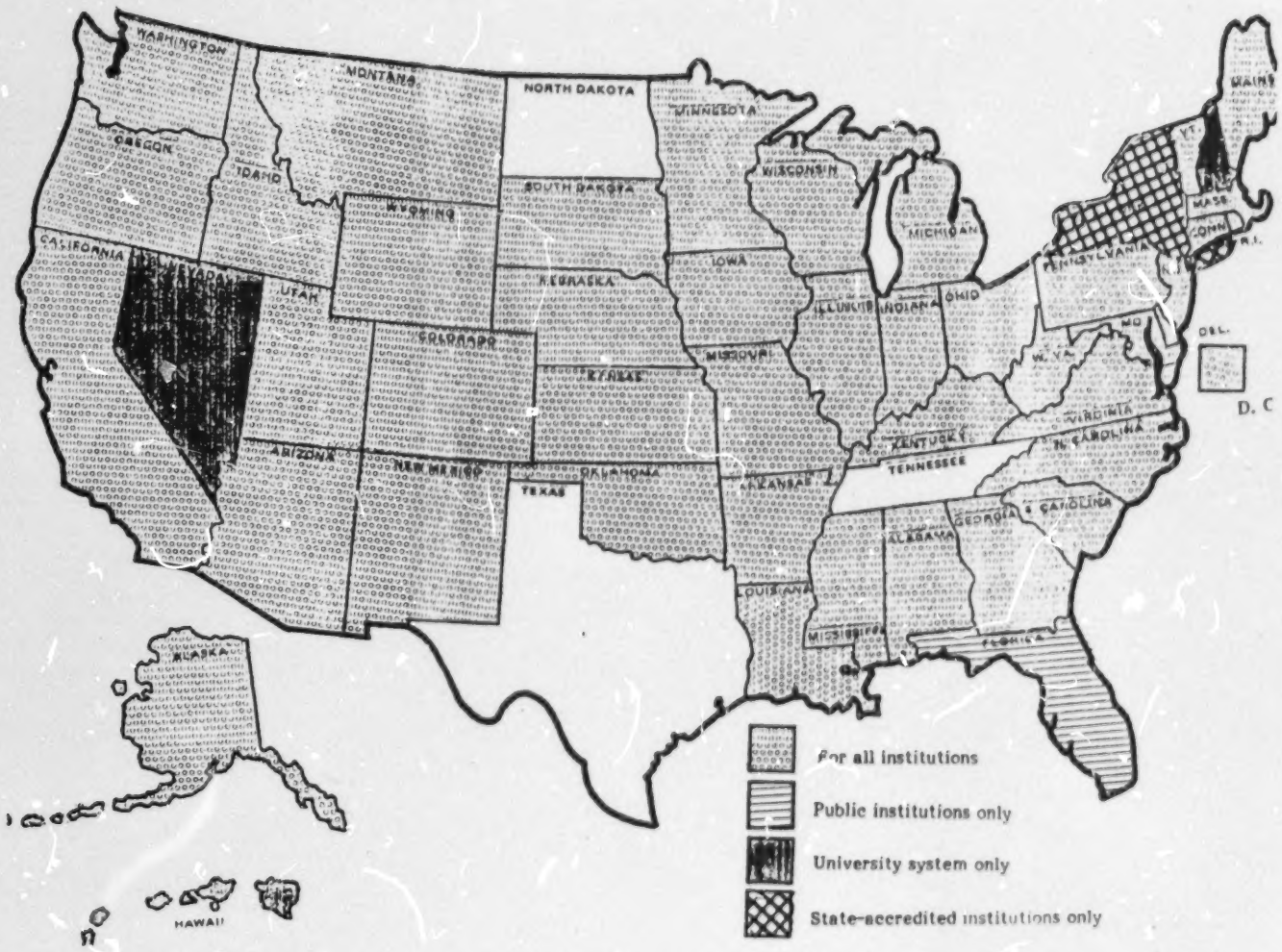
The role of the states in collecting HEGIS data from the institutions prior to transmission to NCES can affect the quality of the reported data. Evidence of state interest in and use of the HEGIS data can be an incentive for institutions to report accurately. Figure 1 shows the extent of HEGIS coordination by state; as of Fall 1980, all but three states (North Dakota, Tennessee, and Texas) coordinate the HEGIS collection and reporting effort for at least some group of institutions in the state. Forty-three of the states provide a coordination function for all institutions in the states, while the others limit coordination to only the public institutions (Florida), only state-accredited institutions (New York), or only the state university system (Hawaii, Nevada, and New Hampshire). Florida has separate coordinators for the four-year and two-year institutions; Maine has one coordinator for the University of Maine and another for all other institutions; and Wisconsin has one coordinator for the university system and another for the 18 private institutions.

The large number of states acting as a conduit for the HEGIS data might suggest extensive state use of the data. The state survey results, however, revealed a relatively weak state role in editing the data collected from the institutions, and only moderate use of the data. Of those state agencies responding to the survey and reporting a role as a conduit for the HEGIS data, 33 percent indicated that no editing whatsoever was done prior to transmission of the data. Of those reporting an editing function, approximately half do only a cursory visual check for completeness or reasonableness compared with the previous year's report. The remaining states have established more extensive arithmetic verification procedures.

Use of HEGIS Data

Sixty percent of the 45 respondents to the state survey (27 states) indicated some use of the HEGIS finance data, but many of these indicated that the uses were quite limited. A recent study commissioned by NCES on the uses of HEGIS data documents considerable use, both direct and indirect, but mentions infrequently the use of these data by states. A few states use HEGIS data to prepare summaries of revenues and expenditures for state planning and budgeting functions, but most states find their own separate data collections to yield more detailed and more accurate information for internal planning purposes. The most sophisticated uses of the HEGIS data are for interstate and interinstitutional comparisons; the use of these data for some type of comparison was mentioned by only 20 percent (9 states) of the respondents to the state survey. Some of those states that coordinate the collection of HEGIS data from independent institutions mentioned the value of HEGIS in providing the most convenient source of financial data on independent institutions in the state. Several respondents noted problems in the comparability of the data as a major factor in impeding the use of data, while others noted lack of timeliness in data publication as a factor. This general lack of significant use of the data by the states in turn undoubtedly affects data quality by eliminating or reducing institutional incentives for accurate reporting. This effect on data quality is compounded when there is little evidence of federal use of the data as well.

Figure 1 - State HEGIS Coordination - Fall 1980



Reporting Universe

The universe of institutions reporting in HEGIS is determined on the basis of accreditation by the federal Department of Education for eligibility for federal support, rather than on the basis of grouping like institutions for statistical comparisons. The inconsistency of this universe from state to state is most apparent in the inclusion of postsecondary vocational-technical institutes in some states but not in others. While interinstitutional comparisons are not affected by this variation in reporting, the integrity of comparisons of the two-year sector from state to state could be jeopardized.

Approximately half of the respondents to the state survey reported current operating expenditures for postsecondary vocational-technical institutes not in the NCES-HEGIS universe. In 1978-79, 23 states reported a range from $249,700 to $156,551,332. The mean expenditure was more than $22,600, with expenditures in ten of the states reported at under $5 million.

The number of students enrolled in postsecondary vocational-technical institutes outside the HEGIS universe appears to be significant, but it is difficult to evaluate the numbers in terms of full-time equivalent students (FTE). While an FTE calculation may vary considerably in traditional postsecondary institutions from state to state and even within a single state, the concept of an FTE is often alien to the vocational education sector. Responses to the state survey, which asked for FTE enrollments associated with postsecondary vocational-technical institutes not in the HEGIS universe, reflected difficulty in deriving an FTE count. Some states reported average daily memberships, or indicated that all students were considered full time. It was determined by the task force that reviewed the state survey results that the enrollment figures obtained from the survey for all states were meaningless and would be disregarded in the analysis of survey results. Nevertheless, table 1 shows the states reporting expenditures for postsecondary vocational-technical institutes not in the HEGIS universe, and the associated enrollment figures reported by each state.

Direct Student Aid

States vary significantly in strategies for providing student assistance in the form of scholarships, fellowships, grants, and work-study support. In some instances, these funds are provided in part or in total to institutions for administration and for distribution to students. In other instances, the aid is provided directly to students, who use it to attend institutions of their choice, whether public, independent, or even out-of-state. Since HEGIS collects information on state appropriations to insitutions that would include student aid funds channeled through institutional accounts--if this is the strategy chosen in the state--this variation in state funding practice can give rise to a problem of comparability when assessing the revenues and expenditures of institutions in different states. To determine the scope of this problem, the state survey asked for an identification of direct state and local government student aid funding that is not administered by institutions and thus does not appear in HEGIS. Forty-one states reported such expenditures, ranging in 1978-679 from $75,100 to $256,830,256. Table 2 shows those states reporting direct student aid expenditures, with the total dollars reported for 1978-79. Most of the student aid was in the form of scholarhsips and grants to

students attending in-state, independent institutions, with a slightly smaller but still large amount going to students attending in-state, public institutions. Very little of the direct aid was in the form of work-study.

Central Boards, Commissions, and Offices

An area where variations were known to occur in the manner of state funding and thus where variations would occur in reporting practice was through the existence of various central boards, offices, and commissions. These funds in some cases are allocated to institutional accounts and reported in HEGIS; in other cases they are handled centrally and not reported at all. Once again, the state survey attempted to address the questions of the prevalence and magnitude of these practices. It was found that nearly all states have some centrally funded boards, commissions or offices, whose funds do not appear in HEGIS. Most of these, however, are for a postsecondary component of a department of education, or a statewide coordinating board. The most significant variations occur in states where there is a single university system with a very large central system office with governing responsibility for the institutions. When central office funds are not allocated to the institutions and are not reported in HEGIS, a problem of comparability will exist. If these central office funds are not allocated to the institutions and are not reported in HEGIS, comparability with institutions in states where each institution has its own governing board and where these funds <u>are</u> reported in HEGIS is jeopardized. Forty-four states reported such expenditures in 1978-79, ranging from $14,857 to $34,458,463 with half reported at under $2 million. The states where disproportionately large central office expenditures seem to occur are Alaska, Hawaii, Missouri, and North Carolina. The dollars reported for all such central office expenditures for 1978-79 are shown in table 3.

In reviewing the question of reporting central office expenditures in HEGIS, the conclusion was reached that many institutions are not following the HEGIS instructions that specify allocation of these expenditures to the individual campuses, because of difficulty in determining the appropriate allocations. In the case of statewide boards, the campuses responding to the HEGIS survey generally do not have access to the board-expenditures figures and would not be in a position to determine the appropriate allocations even if the total expenditures were known.

The problem of central office expenses is only one manifestation of state organizational variations that cause reporting inconsistencies. Other organizational variations, such as the aggregation of all extension programs for a university system into a separate reporting unit, cause similar reporting inconsistencies. A more prevalent organizational variation involves funding and enrollments for medical schools that include medicine, dentistry, osteopathy, and veterinary medicine programs. In about half the states, these figures are commingled with the funding and enrollments for a parent institution, while in the other half they are reported as funding and enrollments for separate institutions.

Table 1

Public Postsecondary Vocational-Technical Institutes
1978-79 State and Local Expenditures and FTE Enrollments
Not Included in HEGIS Reports

State	¶Voc-Tech ¶Expenditures ¶ ¶ ¶	¶FTE ¶Enrollments ¶ ¶ ¶	¶1977-78 State and ¶Local Appropriations ¶for 2-Year Post- ¶secondary Institutes ¶as Reported in HEGIS*
Wisconsin	¶$156,551,331	¶ 52,299	¶$ 469,823,931
Minnesota	¶ 77,226,451	¶ 31,003 ¶(average daily ¶membership)	¶ 277,775,333
Massachusetts	¶ 51,915,000	¶ 27,878	¶ 239,676,877
California	¶ 41,483,013	¶ 33,220	¶ 2,646,960,636
Georgia	¶ 34,569,023	¶ 29,665 ¶(headcount)	¶ 279,636,476
Alabama	¶ 32,975,521	¶ 13,623	¶ 282,193,542
Louisiana	¶ 26,199,913	¶ 53,307 ¶(headcount)	¶ 228,946,983
Washington	¶ 21,964,527	¶ 9,535	¶ 355,430,563
Kansas	¶ 18,060,832	¶ 6,800	¶ 210,427,949
Mississippi	¶ 11,682,207	¶ 19,218	¶ 172,732,072
New Mexico	¶ 11,269,400	¶	¶ 96,593,998
Oklahoma	¶ 9,283,191	¶ 1,208 ¶(total semester ¶hours divided ¶by 15)	¶ 171,857,511

Table 1 (continued)

State	Voc-Tech Expenditures	FTE Enrollments	1977-78 State and Local Appropriations for 2-Year Post-secondary Institutes as Reported in HEGIS*
Maine	5,857,347	3,151	42,087,135
New Hampshire	4,951,000	2,529	32,013,447
Colorado	4,747,291	4,502	197,064,236
Alaska	2,581,800	305	68,758,847
Hawaii	2,322,577		100,418,856
Iowa	2,196,676	1,037	245,188,579
South Carolina	1,954,867	834.3	255,249,202
Tennessee	1,148,300	763	235,476,201
Idaho	1,018,420	400	77,675,810
Indiana	590,436	46,506 (unduplicated headcount)	307,054,814
Vermont	249,700	174	20,092,558

*This column is provided to give a rough frame of reference for the vocational-technical expenditures. Because of the many other factors involved, state rankings on the basis of these appropriations alone are not meaningful.

Table 2
DIRECT STUDENT AID PROVIDED BY STATES
1978-79 Total Expenditures for Scholarships, Grants, and Work Study
Not Included in HEGIS Reports

State	¶1978-79 ¶Student Aid ¶Expenditures	¶1977-78 State and Local Appro- ¶priations to all Postsecondary ¶Institutions as reported in HEGIS*
New York	¶$256,830,256	¶$1,225,885,820
Illinois	¶ 80,981,682	¶ 731,875,527
California	¶ 74,064,000	¶ 2,646,960,636
Pennsylvania	¶ 73,272,080	¶ 519,502,475
New Jersey	¶ 32,123,669	¶ 393,549,774
Michigan	¶ 28,105,388	¶ 689,956,500
Ohio	¶ 23,071,055	¶ 541,294,255
Wisconsin	¶ 23,058,900	¶ 469,823,931
Minnesota	¶ 20,769,268	¶ 277,775,333
Indiana	¶ 19,960,000	¶ 307,054,814
Massachusetts	¶ 19,673,000	¶ 239,676,877
North Carolina	¶ 14,984,980	¶ 432,833,549
Colorado	¶ 13,663,240	¶ 197,064,236
Iowa	¶ 13,504,220	¶ 245,188,579
Texas	¶ 11,809,009	¶ 1,083,626,480
Georgia	¶ 10,809,828	¶ 279,636,476
Florida	¶ 9,942,250	¶ 515,277,818
South Carolina	¶ 9,422,629	¶ 255,249,202
Virginia	¶ 7,166,172	¶ 309,446,484
Maryland	¶ 6,201,573	¶ 281,860,688
Washington	¶ 6,197,720	¶ 355,430,563
Oregon	¶ 5,722,033	¶ 219,618,088
Alabama	¶ 4,770,387	¶ 282,193,542
Missouri	¶ 4,137,365	¶ 265,738,307
Vermont	¶ 4,126,764	¶ 20,092,558
Kentucky	¶ 4,018,760	¶ 234,258,972
Kansas	¶ 3,982,407	¶ 210,427,949
Connecticut	¶ 3,486,875	¶ 150,070,805
Mississippi	¶ 2,751,670	¶ 172,732,072
Tennessee	¶ 2,606,626	¶ 235,476,201
West Virginia	¶ 2,469,547	¶ 95,166,867
Maine	¶ 2,130,000	¶ 42,087,135
Arkansas	¶ 1,851,719	¶ 126,010,180
Oklahoma	¶ 1,606,617	¶ 171,857,511
Louisiana	¶ 1,140,905	¶ 228,946,983
Delaware	¶ 378,000	¶ 39,667,512
Wyoming	¶ 320,810	¶ 54,155,181
New Hampshire	¶ 224,345	¶ 32,013,447
Idaho	¶ 139,666	¶ 77,675,810
Alaska	¶ 75,100	¶ 68,758,847
South Dakota	¶ 61,000	¶ 39,544,953

*This column is provided to give a rough frame of reference for the student aid expenditures. Because of the many other factors involved, state rankings on the basis of these appropriations alone are not meaningful.

Table 3

Central Boards, Commissions, and Offices
1978-79 State Expenditures Not Included in HEGIS Reports

State	1978-79 Central Offices Expenditures	1977-78 State and Local Appropriations to all Postsecondary Institutions as reported in HEGIS*
North Carolina	$34,458,463	$ 432,833,549
Missouri	28,366,378	265,738,307
Texas	13,266,102	1,083,626,480
New York	12,248,000	1,225,885,820
Alaska	9,384,700	68,758,847
California	8,056,651	2,646,960,636
Florida	7,567,101	515,277,818
Illinois	7,262,619	731,875,527
Oregon	7,119,931	219,618,088
Hawaii	5,810,765	100,418,856
Virginia	5,689,345	309,446,484
Minnesota	4,685,668	277,775,333
Colorado	3,994,731	197,064,236
Louisiana	3,575,503	228,946,983
Vermont	3,526,005	20,092,558
Connecticut	3,044,037	150,070,805
Ohio	2,752,049	541,294,255
Massachusetts	2,705,000	239,676,877
Maryland	2,632,066	281,860,688
Georgia	2,469,417	279,636,476
Washington	1,948,278	355,430,563
Kentucky	1,531,300	234,258,972
Wisconsin	1,114,769	469,823,931
Tennessee	1,070,000	235,476,201
Alabama	1,007,000	282,193,542
Indiana	979,534	307,054,814
Arizona	935,548	250,826,810
South Carolina	738,774	255,249,202
Iowa	712,797	245,188,579
Kansas	694,518	210,427,949
Mississippi	689,264	172,732,072
Arkansas	684,051	126,010,180
West Virginia	603,680	95,166,867
Idaho	518,700	77,675,810
New Mexico	411,400	96,593,998
South Dakota	403,296	55,981,562
Wyoming	266,363	54,155,181
Nebraska	211,699	142,573,485
Pennsylvania	134,575	519,502,475
Michigan	114,106	689,956,500
New Hampshire	63,532	32,013,447
Delaware	41,300	39,667,512
Maine	25,000	42,087,135
New Jersey	14,857	393,549,774

*This column is provided to give a rough frame of reference for the central office expenditures. Because of the many other factors involved, state rankings on the basis of these appropriations alone are not meaningful.

Central Support Services

As a strategy for funding postsecondary education functions, many states select the option of providing centrally funded services for all public postsecondary institutions or even for other non-education agencies as well. Because the funds do not flow through institutions, they are generally not reported in HEGIS, although HEGIS instructions specify inclusion of allocated shares of such funds. Twenty-six states responding to the state survey reported expenditures of this nature in amounts ranging from $40,000 to $66,720,084 in 1978-79. The most prevalent types of centrally funded services reported were fringe benefits, including retirement funds and insurance. These variations in state practice pose problems of comparability. Revenues and expenditures for retirement and other benefits for an institution in a state that funds centrally would be understated, compared to an institution in a state that appropriates directly to the institution for distribution from its budget. While several states operate central computer consortia or networks, the appropriate costs for these seem to be allocated on a fair basis to the institutions for reporting purposes.

Debt Service and Capital Acquisition Financing

State practices for the purchase or financing of capital acquisitions vary significantly. As a result, in some states these purchases are financed entirely separately by the state and the dollars do not appear in institutional accounts. In other states, however, such purchases or financial arrangements for debt service are made directly by the institutions and the dollars appear within current funds revenues and expenditures reports of the institution. This creates important problems of comparability when comparing revenues and expenditures of institutions in different states. Other financing variations that result in reducing the validity of this comparison include the explicit designation of all or a portion of all tuition and fees revenues for repayment of capital purchases, or the designation of auxiliary enterprise revenues for repayment of capital purchases.

In preparing the state survey to address problems of comparability that seemed to exist, two approaches were possible. It was recognized that comparability problems occurred whenever the HEGIS reports for institutions in one state included funds for a particular function while the HEGIS reports for equivalent institutions in another state did not include funds for the same function; therefore, the survey could either (1) ask for identification of funds for those functions not included in HEGIS, or (2) ask for those functions included in HEGIS. In most cases, it was decided to address the question of data gaps, and ask for identification of funds <u>not</u> included in HEGIS. Because of the complexity of the question of debt service and the sense that HEGIS is intended primarily to address current operating revenues and expenditures, it was decided to elect the other approach in collecting information on debt service arrangements and to ask for identification of funds that are included in HEGIS.

A significant number of respondents (34 states) to the state survey reported debt service funds that appear in institutional current accounts as state and local appropriations, tuition and fees revenues, or auxiliary enterprise revenues. Funds appearing as state appropriations in 1978-79 ranged

Table 4

Debt Service in Institutional Accounts
1978-79 Funds Included in Hegis Reports

State	Total Debt Service	In Appropriations	In Tuition and Fees Revenue	In Auxiliary Enterprise Revenue
New York	$263,100,000	$ 87,400,000	$147,500,000	$28,200,000
Massachusetts	175,143,000	175,143,000		
Virginia	99,978,542			99,978,542
Ohio	65,100,000	65,100,000	unknown	amounts
Illinois	52,364,400	34,587,900	3,576,500	14,200,000
	(Recent	debt service	commingled)	
Wisconsin	51,825,649	39,261,549		12,564,100
New Jersey	42,744,040	42,744,040		
California	30,997,713	30,997,713		unknown amount
Kentucky	26,483,497	19,223,124		7,260,373
West Virginia	21,534,634		21,534,634	unknown amount
Indiana	21,422,401	1,097,226	11,255,602	9,069,573
Georgia	20,843,650	18,060,562		2,783,088
Washington	19,156,393		19,156,393	unknown amount
Kansas	12,895,619	4,412,135	2,398,164	6,085,320
South Carolina	12,661,913			unknown amount
Minnesota	10,474,773	10,474,773		
Louisiana	10,216,943	504,365	2,805,223	6,907,355
Pennsylvania	9,492,828	9,492,828		
Iowa	8,832,059	8,832,059		
Delaware	8,794,700	8,794,700		unknown amount
Arkansas	7,910,100	7,910,100		
Arizona	7,772,293		5,573,481	2,198,812
Oregon	6,335,864	6,335,864		
New Hampshire	4,673,300	4,673,300		
South Dakota	4,288,306	99,480	4,188,826	
Tennessee	4,137,031		4,137,031	
Nevada	2,887,418		2,887,418	
Vermont	2,528,260		231,534	2,296,726
Maine	1,416,457			1,416,457
Maryland	1,310,000			1,310,000
Alabama	337,580	337,580		
Nebraska			unknown	amounts
North Carolina			unknown	amounts
Wyoming			unknown	amounts

from $337,580 to $174,143,000. Tuition and fees revenues dedicated to capital purposes ranged from $231,534 to $147,500,000, and dedicated auxiliary enterprise revenues ranged from $1,310,000 to $99,978,542. Several states reported that although these arrangements existed, the amounts were not identifiable or were unavailable.

Recommendations for Analysts and Researchers Using HEGIS Data

Awareness of reporting variations from state to state is an important consideration for the analyst or researcher using HEGIS data. Although the reporting variations stem primarily from legitimate differences in state strategies for funding and financing postsecondary education, they pose significant problems in comparability.

The researcher or analyst would be wise to review the role of the states in coordinating, editing, and using HEGIS data, since the level of activity by the state generally affects the quality of data reported by the institutions.

When using HEGIS data as the basis for a study, it is important to recognize that funds for a particular function may be included in the reports of institutions in one state but not in the reports of institutions in another state. These reporting variations result from differences in state funding practices for student-aid funds, funds for postsecondary vocational-technical institutes, central boards and offices, central support services, and debt service arrangements.

When making comparisons between institutions, sectors, or states, it is important to select carefully the peer groups to be used, based on an appropriate institutional classification system, to avoid large categories containing significantly dissimilar institutions.

The report developed by the SHEEO/NCES Network Office on the quality and comparability of HEGIS finance data contains a profile of each state that outlines many of the factors that analysts and researchers should be aware of, including reporting variations deriving from differences in strategies for funding and financing postsecondary education. Reference to these profiles when making comparisons would be useful in determining where comparability problems might exist.

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